

# SENATE BILL 511

R4

0lr1588

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By: **Senators Frosh and Forehand**

Introduced and read first time: February 3, 2010

Assigned to: Judicial Proceedings

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## A BILL ENTITLED

1 AN ACT concerning

2 **Vehicle Manufacturers – Advertising – Prohibiting Threats to Dealers**

3 FOR the purpose of prohibiting a vehicle manufacturer, either directly or through an  
4 agent, employee, affiliate, or representative, from threatening a dealer with the  
5 loss of certain benefits for listing the manufacturer's invoice price for a vehicle  
6 in certain advertising if the advertisement contains a certain notice and is not  
7 in violation of the Maryland Consumer Protection Act; prohibiting a vehicle  
8 manufacturer, either directly or through an agent, employee, affiliate, or  
9 representative, from threatening a dealer with the loss of certain benefits for  
10 listing certain information about another manufacturer on the dealer's website,  
11 if the dealer has a franchise agreement with the other dealer; and generally  
12 relating to vehicle manufacturers.

13 BY repealing and reenacting, without amendments,  
14 Article – Transportation  
15 Section 15–201(a) and (e)  
16 Annotated Code of Maryland  
17 (2009 Replacement Volume and 2009 Supplement)

18 BY adding to  
19 Article – Transportation  
20 Section 15–207(k)  
21 Annotated Code of Maryland  
22 (2009 Replacement Volume and 2009 Supplement)

23 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
24 MARYLAND, That the Laws of Maryland read as follows:

25 **Article – Transportation**

26 15–201.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (a) In this subtitle the following words have the meanings indicated.

2 (e) “Manufacturer” means:

3 (1) A manufacturer of new motor vehicles constructed or assembled in  
4 the United States;

5 (2) A second-stage manufacturer of new two-stage vehicles completed  
6 in the United States; and

7 (3) In the case of trucks, a person engaged in the business of  
8 manufacturing truck component parts.

9 15–207.

10 **(K) A MANUFACTURER, EITHER DIRECTLY OR THROUGH AN AGENT,**  
11 **EMPLOYEE, AFFILIATE, OR REPRESENTATIVE, MAY NOT THREATEN A DEALER**  
12 **WITH THE LOSS OF A FRANCHISE, THE LOSS OF A BENEFIT AVAILABLE TO OTHER**  
13 **DEALERS, OR THE LOSS OF A LINK, REFERRAL, OR OTHER BENEFIT RELATED TO**  
14 **THE MANUFACTURER’S INTERNET WEBSITE, FOR:**

15 **(1) LISTING THE MANUFACTURER’S INVOICE PRICE FOR A**  
16 **VEHICLE IN ANY PRINT, MEDIA, OR ELECTRONIC ADVERTISING, IF THE**  
17 **ADVERTISING LISTING THE INVOICE PRICE:**

18 **(I) CONTAINS A CLEAR AND CONSPICUOUS NOTICE THAT**  
19 **STATES:**

20 **“NOTICE TO BUYER: THE INVOICE PRICE MAY BE HIGHER THAN THE TRUE**  
21 **FINAL COST TO THE DEALER.”; AND**

22 **(II) IS NOT IN VIOLATION OF THE MARYLAND CONSUMER**  
23 **PROTECTION ACT; OR**

24 **(2) LISTING ON THE DEALER’S WEBSITE ANY ADVERTISING OR**  
25 **OTHER INFORMATION REGARDING THE PRODUCTS OF ANOTHER**  
26 **MANUFACTURER, IF THE DEALER HAS A FRANCHISE AGREEMENT WITH THE**  
27 **OTHER MANUFACTURER.**

28 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
29 October 1, 2010.